

Owens, Mike

From: Owens, Mike
Sent: Tuesday, August 25, 2015 3:26 PM
To: 'David Beatty'
Cc: 'jjenks@utah.gov'; 'Jennifer He'
Subject: RE: Pacificorp Hunter Lawsuit
Attachments: PACIFICORP HUNTER - T5 RENEWAL CMT LTR 08-31-05.pdf

Dave,

In case you don't have it handy in your files, attached is EPA's August 31, 2005 comment letter on the proposed title V renewal permit for Pacificorp Hunter plant. Feel free to call me if you want to talk about it. I think the letter was quite clear on what EPA expected Utah to do to address the issues raised.

Mike Owens

From: David Beatty [mailto:dbeatty@utah.gov]
Sent: Tuesday, August 25, 2015 1:13 PM
To: Owens, Mike
Subject: Re: Pacificorp Hunter Lawsuit

It is a real suit, see attached, I also attached the last permit mod dated April 6, 2015. John Jenks and Jennifer He are brushing up on the issues we had with this permit and not being able to go through with the Renewal back in 2005. We may need to call you and get your view on the issues, it had some thing to do with the CAM plan, startup-shutdown-malfunction, and an emissions minimization plan.

On Tue, Aug 25, 2015 at 10:36 AM, Owens, Mike <Owens.Mike@epa.gov> wrote:

Hi Dave. I'm not up on what's happening on this. Perhaps it would be a good idea to forward it to me. Thanks!

Mike Owens

From: David Beatty [mailto:dbeatty@utah.gov]
Sent: Tuesday, August 25, 2015 10:29 AM
To: Owens, Mike
Subject: Pacificorp Hunter Lawsuit

Just wanted to make sure you have heard about the lawsuit that Sierra Club filed against us for not issuing the Hunter renewal, if not let me know and I will forward it to you.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

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DENVER, CO 80202-2466

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August 31, 2005

Ref: 8P-AR

Dave Beatty, Manager
Operating Permits Section
Division of Air Quality
PO Box 144820
Salt Lake City, UT 84114-4820

Re: EPA Concerns with Proposed Title V Renewal
Permit for Pacificorp Hunter Power Plant

Dear Dave:

We received the proposed Title V renewal permit for Hunter plant on July 21, 2005. Our 45-day review period was to run until September 5. On August 29, after you met with Pacificorp on concerns we expressed to you over the phone and via e-mail about some of the permit language, you informed us that the proposed permit has been withdrawn from EPA review. We appreciate your quick action to consider our concerns. As you have requested, we are providing this letter to share with you our specific concerns.

In brief, we are concerned with exemptions from emission limits during periods of startup, shutdown, malfunction (SSM), and maintenance/planned outage. These exemptions appear in the proposed permit in regard to all emission limits (including opacity limits) listed under Steam Generating Units 1, 2 and 3. The sole exception is the 80 percent sulfur dioxide reduction requirement at Units 1 and 2, for which no such exemption is specified in the proposed renewal permit.

The underlying Approval Orders (AOs) listed in the proposed renewal permit are those issued on April 3, 1986 for Unit 1, July 27, 1987 for Unit 2, August 31, 1983 for Unit 3, and December 18, 1997 for all three Units. None of these AOs specify any exemptions from AO emission limits during SSM or maintenance/planned outage. In fact, the AO dated December 18, 1997, which is the origin of most of the current emission limits for all three Units, says emissions to the atmosphere "at all times" shall not exceed the emission limits listed in the AO.

It should be especially apparent for Unit 3 that exemptions from AO emission limits cannot be allowed. All AO emission limits for Unit 3 were established as Best Available Control Technology (BACT) limits under Prevention of Significant Deterioration (PSD) permitting. We have explained in previous correspondence to Utah DAQ our policy and interpretation of the

Clean Air Act that PSD BACT emission limits must apply at all times. (Reference: EPA comment letters of April 20, 2004 and May 24, 2004, on proposed PSD permits for construction of Pacificorp Current Creek power plant and for construction of Intermountain Power Unit 3, respectively.)

Exemptions from emission limits are not necessarily appropriate for non-PSD units either. The appropriateness of such exemptions would have to be evaluated for those units based on the need to protect the NAAQS, increment, the SIP, and other Clean Air Act requirements. EPA has provided its interpretations regarding such exemptions in a number of SIP rulemaking actions and guidance documents on SSM.

We recognize that Subpart Da of New Source Performance Standards (NSPS), at 40 CFR 60.46a(c), applicable to Unit 3, contains an exemption from the particulate matter and nitrogen oxide emission limits of Subpart Da during SSM periods, as well as an exemption from the sulfur dioxide emission limits of Subpart Da during periods of startup, shutdown, or when both emergency conditions exist and the procedures of 40 CFR 60.46a(d) are implemented. In the proposed Title V renewal permit, this exemption language has been extended to all emission limits for Unit 3 originating in AOs. However, there is nothing in the AOs that extends any of the Subpart Da exemption language to emission limits for Unit 3 expressed in the AOs. Condition 6 of the 1997 AO simply says Subpart Da applies to Unit 3 "in addition to the requirements of this AO." NSPS exemptions not explicitly included in the limits expressed in AOs only apply to NSPS emission limits, not to emission limits established in AOs.

We also recognize that the general provisions of NSPS Subpart A, at 40 CFR 60.11(c), applicable to all three Hunter Units, contain an exemption from NSPS opacity limits for SSM periods. In the proposed Title V renewal permit, this exemption language has been extended to all opacity limits originating in the AOs. However, there is nothing in the AOs that extends the NSPS exemption to opacity limits expressed in the AOs. Again, NSPS exemptions not explicitly included in the limits expressed in AOs only apply to NSPS emission limits, not to emission limits established in AOs.

We also recognize that NSPS Subpart D (applicable to Hunter Units 1 and 2), at 40 CFR 60.42(a)(2), as well as NSPS Subpart Da (applicable to Hunter Unit 3), at 40 CFR 60.42a(b), allow for opacity of up to 27 percent, for one six-minute period per hour. In the proposed Title V renewal permit, this allowance has been extended to all opacity limits originating in the AOs. However, there is nothing in the AOs that extends this allowance to opacity limits expressed in the AOs. The AOs simply say the opacity limit is 20 percent. Again, NSPS exemptions not explicitly included in the limits expressed in AOs only apply to NSPS emission limits, not to emission limits established in AOs.

Regarding exemptions in the proposed Title V renewal permit from emission limits during periods of maintenance/planned outage, there is no such exemption in NSPS Subparts A, D or Da, nor in any AOs. Utah's Reviewer Comment #2, attached to the proposed Title V renewal permit, discusses maintenance/planned outage but does not present any legal justification why exemptions from AO or NSPS emission limits should be allowed for such periods.

To address the concerns above and ensure that the Title V permit complies with the requirement under 40 CFR 70.6(a)(1) and Utah Air Quality Rule R307-415-6a(1) that the permit include all applicable emission limitations and standards, the following changes must be made to the proposed renewal permit:

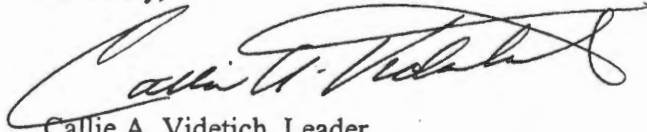
- The phrase "*except during periods of start-up, shutdown, maintenance/planned outage, or malfunction*" must be removed from the following permit conditions, in regard to AO emission limits: II.B.2.a, II.B.3.a, II.B.4.a, II.B.4.b, II.B.4.c, II.B.4.d, II.B.4.e, II.B.5.a, II.B.5.b and II.B.5.e.
- The phrase "*except during periods of startup, shutdown, maintenance/planned outage or when both emergency conditions exist and 60.48a(d) procedures are implemented*" must be removed from the following permit conditions, in regard to AO emission limits: II.B.5.c and II.B.5.d.
- The phrase "*except for one six-minute period per hour of not more than 27 percent opacity*" must be removed from the following permit conditions, in regard to AO emission limits: II.B.4.e and II.B.5.e.
- The phrase "*maintenance/planned outage*" must be removed from the following permit conditions, in regard to NSPS emission limits: II.B.2.a, II.B.3.a, II.B.4.a, II.B.4.c, II.B.4.e, II.B.5.a, II.B.5.b, II.B.5.c, II.B.5.d and II.B.5.e.
- Consistent with removal of exemption language pertaining to particulate emission limits, the phrase "*except for periods of startup, shutdown, maintenance/planned outage and malfunction*" must be removed from the following Compliance Assurance Monitoring (CAM) provisions in the permit: II.B.2.a.1.(b)(2), II.B.3.a.1.(b)(2) and II.B.5.b.1.(b)(2).

Other comments on the proposed renewal permit:

- Reviewer Comments #3 and #4, regarding periodic monitoring for demonstration of compliance with particulate matter emission limits at Units 1-3, are obsolete and should be removed. Those Reviewer Comments have been superseded by Reviewer Comments #31, 32 and 33 on CAM provisions that are being added to the permit. The CAM rule, at 40 CFR 64.5(d), says periodic monitoring requirements of 40 CFR 70.6(a)(3)(i)(B) apply only prior to approval of CAM monitoring. The monitoring of ESP electrical parameters, described in Comments #3 and #4 for purposes of periodic monitoring, no longer appears in the permit, having been replaced with CAM monitoring requirements.
- Conditions II.B.5.a and II.B.5.c should reference the 1997 AO rather than the 1983 AO. The emission limits in II.B.5.a and II.B.5.c do not exist in the 1983 AO.
- In condition II.B.5.b.1.(a)(3), the citation to "*60.50a(b) and (e)*" is incorrect. There is no such subsection in NSPS Subpart Da.

We would appreciate it if you could inform us within the next couple of weeks when you intend to re-propose the Title V renewal permit. We feel it is important that corrections to the permit be made as expeditiously as possible. Please feel free to contact me at 303-312-6434, or Mike Owens at 303-312-6440, if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Callie A. Videtich", with a stylized flourish at the end.

Callie A. Videtich, Leader
Air Technical Assistance Unit

cc: Rick Sprott (Utah DAQ)
Regg Olsen (Utah DAQ)
Rusty Ruby (Utah DAQ)
Jennifer He (Utah DAQ)